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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
10/802,129	03/16/2004	Stanley R. Luhr	10108-001A	3542
51476 7590 06/12/2009 JERRY TURNER SEWELL P.O. BOX 10999 NEWPORT BEACH, CA 92658-5015				
EXAMINER PARKER, BRANDI P				
ART UNIT 3624		PAPER NUMBER		
NOTIFICATION DATE 06/12/2009		DELIVERY MODE ELECTRONIC		

Please find below and/or attached an Office communication concerning this application or proceeding.

The time period for reply, if any, is set in the attached communication.

Notice of the Office communication was sent electronically on above-indicated "Notification Date" to the following e-mail address(es):

jerry@jtslaw.com

Office Action Summary

Application No.

10/802,129

Applicant(s)

LUHR, STANLEY R.

Examiner

BRANDI P. PARKER

Art Unit

3624

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --
Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 12 March 2009.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1-29 is/are pending in the application.
- 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 1-29 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on _____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
 2. ☐ Certified copies of the priority documents have been received in Application No. _____.
 3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- 1) ☒ Notice of References Cited (PTO-892)
- 2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
- 3) ☐ Information Disclosure Statement(s) (PTO/SF/ICE)
Paper No(s)/Mail Date _____
- 4) ☐ Interview Summary (PTO-413)
Paper No(s)/Mail Date _____
- 5) ☐ Notice of Informal Patent Application
- 6) ☐ Other: _____

DETAILED ACTION

Continued Examination Under 37 CFR 1.114

1. A request for continued examination under 37 CFR 1.114, including the fee set forth in 37 CFR 1.17(e), was filed in this application after final rejection. Since this application is eligible for continued examination under 37 CFR 1.114, and the fee set forth in 37 CFR 1.17(e) has been timely paid, the finality of the previous Office action has been withdrawn pursuant to 37 CFR 1.114. Applicant's submission filed on 3/12/2009 has been entered.

Acknowledgements

2. This is a non-final office action in response to the Applicant's Request for Continued Examination filed on 3/12/2009.

3. Claims 1-29 are pending in this Office Action. Claims 1, 9, 12, 14, 15, 18, 22, 24-26, 28-29 are amended.

Response to Applicant's Remarks

4. Applicant's amendment to claims 1, 9, 12, 14, 18, 22, 24-26, 28 and 29, filed on 2/17/2009, has been fully considered and is persuasive. The rejection of claims 31-29 under 35 USC § 112 has been withdrawn.

5. In response to Applicant's arguments regarding Examiner's motivation to combine cited references for claims 1-29, Examiner reiterates the argument provided in the March 9, 2009 Advisory Action.

6. In response to Applicant's argument that Hall does not provide a database that comprises inspection checkpoint, wherein at least some of the inspection checkpoints include information about particular types of defects, Examiner respectfully disagree. Hall teaches inspection points for a risk assessment that is entered into a database on a PDA (paragraph 0011, 0014, and 0017). A predictable result of the Hall system would be to use the system in the system for assessing any structure, constructed by any builder. Therefore, Hall does teach and suggest this limitation.

7. In response to Applicant's argument that Bandemer does not disclose or suggest using the system to generate a risk assessment of a particular builder, Examiner respectfully disagree. It is the Hall in view of the Bandemer system that is at issue. Hall teaches generating a risk assessment (paragraph 0020), and Bandemer teaches associating costs of repair with the inspection checkpoints or past defect claims (column/line 6/27-49, regarding defect observation and location point, 13/3-16, regarding cost of repair for each defect); (column/line 13/17-37, regarding the retrieval of the document information regarding location point of defect and associated costs for

construction defect litigation). Therefore, Hall in view of Bandemer does teach and suggest this limitation.

8. In response to Applicant's argument that Hall does not teach the risk assessment score defined by claim 5, Examiner respectfully disagree. Hall teaches a risk assessment calculation that results in a risk value associated with the inspection checkpoint. (paragraph 0020). Therefore Hall does teach and suggest this limitation.

9. In response to Applicant's argument that Lawrence does not teach or suggest that the sources of information include information about past construction defects as defined by claims 3 and 4 in combination with independent claim 1, Examiner respectfully disagree. Lawrence teaches a construction industry risk management system that takes into account construction methods and materials planned for projects (paragraph 0048). Therefore, Lawrence, in combination with Hall and Bandemer does teach and suggest this limitation.

10. In response to Applicant's argument that Bandemer does not disclose storing information about a builder's past history of construction defect claims, Examiner respectfully disagrees. A system for indexing or storing observed construction defects claims is interpreted as storing a past history of construction defect claims (column/line 6/27-49). Therefore Bandemer does teach and suggest this limitation.

11. Regarding Applicant's argument that there is no reference to inspection checkpoints or construction defects in the entire disclosure of Lawrence goes without merit. Lawrence teaches a construction industry risk management assessment system that also determines a legal risk that is stored in a database in preparation for a risk inquiry (paragraph 0020, 0027). Therefore, in combination with the Hall in view of Bandemer system, Lawrence does teach and suggest this limitation.

12. In response to Applicant's argument that Alverson, combined with Hall and Bandemer does not create an operational system, Examiner respectfully agrees. Alverson teaches a contractor or builder certification system where questions are sent to the contractor, responses are received, and the information is sent to construction risk technology for a risk assessment (paragraph 0036, 0042). Therefore, Alverson, combined with Hall and Bandemer does create an operational system and teaches the limitations of claims 6, 14 and 23.

13. In response to Applicant's argument that Alverson does not teach or suggest the limitations of claims 7-8 and 15-16, examiner respectfully disagrees. Alverson teaches a risk assessment system that grades or scores each contractor based on their responses and performance factors (paragraph 0038). Therefore, Alverson does teach and suggest the limitations of the claims.

14. In response to Applicant's remarks that Alverson does not teach obtaining information from one or more projects to determine a sample of the builder's operations, Examiner respectfully disagrees. Alverson teaches submitting questions regarding a contractor's current projects (paragraph 0043). Therefore, Alverson does teach and suggest this limitation.

15. In response to applicants argument that Bandemer in view of Hall does not teach the limitations disclosed in claims 9-10 and 24-25, and the succeeding dependent claims Examiner respectfully disagrees. Examiner maintains that the combination of the cited references, not the references individually teach and suggest the limitations of the claims and refer to the previous arguments.

Examiner Notes

16. The Examiner has pointed out particular references contained in the prior art of record within the body of this action for the convenience of the Applicant. Although the specified citations are representative of the teachings in the art and are applied to the specific limitations within the individual claim, other passages and figures may apply. Applicant, in preparing the response, should consider fully the entire reference as potentially teaching all or part of the claimed invention, as well as the context of the passage as taught by the prior art or disclosed by the Examiner.

Claim Rejections - 35 USC § 103

17. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

18. Claims 1, 2, 5 and 29 are rejected under 35 U.S.C. 103(a) as being unpatentable over Hall (US 2003/0229509) in view of Bandemer (US 7107278).

19. With respect to claims 1 and 29, Hall teaches a computer-implemented method for generating a risk assessment of a builder, the method comprising:

- a. providing a database that comprises inspection checkpoints for use in assessing builder risk, wherein at least some of the inspection checkpoints includes information reflective of particular types of defects (paragraphs 0011, 0014, and 0038).
- b. selecting a subset of the inspection checkpoints to use to inspect one or more projects of the builder, where the subset of inspection checkpoints is selected by a computer system (paragraph 0017),
- c. using at least the results of the subset of inspection to programmatically generate a risk assessment (paragraph 0020).

Hall does not explicitly teach associating costs of repair associated with inspection checkpoints or past defect claim and ranking the checkpoints. However, Bandemer teaches:

- d. obtaining input about a builder and about projects associated with the builder (column/line 3/53-58, regarding contractor information; 6/58-62, regarding project information);
- e. a database comprising stored data reflective of estimated monetary costs of repair associated with particular inspection checkpoints (column/line 6/27-49, regarding defect observation and location point, 13/3-16, regarding cost of repair for each defect);
- f. accessing stored data about past construction defect claims that includes at least one of: information reflective of a frequency of past construction defect claims and information reflective of costs associated with past construction defect claims (column/line 13/17-37, regarding the retrieval of the document information regarding location point of defect and associated costs for construction defect litigation);
- g. recording within computer storage results of the inspection based on the subset of inspection checkpoints as applied to one or more construction projects of the builder (column/line 6/27-49, regarding the storing of observed information);

It would have been obvious to one of ordinary skill in the art to include the business system of Hall with the ability to associating costs of repair associated with inspection checkpoints or past defect claim and ranking the checkpoints as taught by Bandemer for use with assessing a builder's risk since the claimed invention is merely a combination of old elements, and in the combination each element merely would have performed the same function as it did separately, and one of ordinary skill in the art would have recognized that the results of the combination were predictable.

Furthermore, the data observation management system 62 and database 300 in Bandemer can be used to sort by basic sorting functions the data including data about past construction defect claims and monetary costs of to rank at least a portion of the inspection checkpoints, reflective of a selected potential monetary cost to repair (column/line 8/16-22), combined with the automatic selection of inspection points by the system in Hall.

20. As to claim 2, Bandemer further teaches wherein the input about the projects comprises information about a geographical location of the projects (Figure 2A).

21. Regarding claim 5, Hall further teaches reporting a risk assessment as a risk assessment score (paragraph 0020).

22. Claims 3-4, and 19-22 are rejected under 35 U.S.C. 103(a) as being unpatentable over Hall (US 2003/0229509) and Bandemer (US 7107278), in further view of Lawrence (US 2004/0083165).

23. Regarding claim 3 and 4, Hall in view of Bandemer does not directly teach specific input about projects. However, Lawrence teaches wherein the input about the projects comprises information about construction methods and materials planned for the projects (paragraph 0048).

It would have been obvious to one of ordinary skill in the art to include the business system of Hall in view of Bandemer with the ability to input specific project information as taught by Lawrence since the claimed invention is merely a combination of old elements, and in the combination each element merely would have performed the same function as it did separately, and one of ordinary skill in the art would have recognized that the results of the combination were predictable.

24. With respect to claim 19, Bandemer further teaches, wherein the stored data about past construction defect claims further comprises information about the builder's past history of construction defect claims (column/line 627-49, regarding defect observation counter and relational database of gathered information).

25. Regarding claims 20 and 21, Bandemer provides the location points where defects were observed in a relational database similar to Microsoft Access. (See Fig.

5A) With the sort feature in this database, it would be obvious to one with ordinary skill in the art to ranking the checkpoints based on frequency of occurrence. Therefore, it would be a predictable result of the system of Hall and Bandemer in view of Lawrence to use the stored data about past construction defect claims to rank inspection checkpoints associated with construction defect claims and financial costs.

26. As to claim 22, Lawrence further teaches calculating one or more adjusted results for the subset of inspection checkpoints based on information that includes a predicted legal risk that a construction defect associated with an inspection checkpoint will be discovered and/or will generate a legal claim (paragraph 0027).

27. Claims 6-8 and 14-18 and 23 are rejected under 35 U.S.C. 103(a) as being unpatentable over Hall (US 2003/0229509) and Bandemer (US 7107278), in further view of Alverson et al (2005/0033628)

28. With respect to claims 14 and 23, Hall in view of Bandemer teaches the method of claim 1, including a risk assessment. Hall in view of Bandemer does not directly teach receiving builder response for a risk assessment. However, Alverson teaches receiving input about the builder and the projects to select from the database a subset of questions to present to the builder; receiving responses to the subsets of questions from the builder, and storing said responses within computer storage (paragraph 0036 and 0042).

It would have been obvious to one of ordinary skill in the art to include the business system of Hall in view of Bandemer with the ability to receive builder response for a risk assessment as taught by Alverson since the claimed invention is merely a combination of old elements, and in the combination each element merely would have performed the same function as it did separately, and one of ordinary skill in the art would have recognized that the results of the combination were predictable.

29. Regarding claim 6, Alverson teaches wherein using the input to select a subset of questions and inspection checkpoints comprises selecting questions and inspection checkpoints for assessing at least one component factor from the set consisting of: customer service, data tracking, prior and active claims, legal contracts and insurance, and safety programs (paragraph 0042).

30. As to claims 7-8 and 15-16, Alverson teaches wherein reporting the builder's risk assessment further comprises reporting scores for the component factors that influence the builder risk assessment (paragraph 0038).

31. With respect to claim 17, Alverson teaches obtaining information from more than one project of the builder to determine a sample of the builder's operations (paragraph 0025).

32. Regarding claim 18, Bandemer further teaches wherein obtaining additional information about the builder and about at least one of the builder's projects further comprises selecting the one or more checkpoints based on information that includes data reflective of estimated monetary amounts for potential repairs associated with the one or more checkpoints, such that the estimated monetary amounts for potential repairs associated with the selected one or more checkpoints are collectively substantially equal to a selected monetary amount (column/line 13/17-37, regarding the retrieval of the document information regarding location point of defect and associated costs for construction defect litigation).

33. Claims 9-10 and 24-25 are rejected under 35 U.S.C. 103(a) as being unpatentable over Bandemer (US 7107278) in view Hall (US 2003/0229509)

34. With respect to claims 9 and 25, Bandemer teaches a system comprising:

- h. a user interface for user entry of data regarding a builder and building projects associated with the builder (Fig. 5A);
- i. a database comprising information reflective of inspection checkpoints for conducting builder risk assessments and the cost of the defects(Fig. 5A);, wherein the information reflective of the inspection checkpoints comprises statistical information reflective of a frequency and costliness of building construction problems associated with the inspection checkpoints (column/line

6/27-49, regarding defect observation and location point, 13/3-16, regarding cost of repair for each defect);

j. a first component configured to receive from the user interface the data regarding the builder and the builder's projects and to select from the a subset of inspection checkpoints to use to inspect construction by the builder (column/line 6/27-49, regarding defect observation and location point);

Bandemer does not directly teach calculating a risk assessment score. However, Hall teaches:

k. a second component that calculates a risk assessment score for the builder based at least in part on results of the inspection (paragraph 0020).

It would have been obvious to one of ordinary skill in the art to include the business system of Bandemer with the ability to calculate a risk assessment score as taught by Hall since the claimed invention is merely a combination of old elements, and in the combination each element merely would have performed the same function as it did separately, and one of ordinary skill in the art would have recognized that the results of the combination were predictable.

35. Regarding claims 10 and 24, Bandemer further teaches wherein the database further comprises at least one of the set consisting of: information about proper construction practices associated with the checkpoints, historical information about

costs associated with repairing construction faults associated with the checkpoints, information about a statistical frequency of liability claims regarding the checkpoints; and a measure of relevance of proper construction technique for the checkpoints to a risk assessment for projects of various types and various geographical locations (column/line 13/17-37, regarding the retrieval of the document information regarding location point of defect and associated costs for construction defect litigation).

36. Claims 11-13 and 26-28 are rejected under 35 U.S.C. 103(a) as being unpatentable over Bandemer (US 7107278) and Hall (US 2003/0229509) and, in further view of Alverson et al (2005/0033628)

37. With respect to claim 11, Bandemer in view of Hall teaches the system of Claim 9. Bandemer in view of Hall does not directly teach assessing the specific issues presented in claim 11. However, Alverson teaches wherein the database further comprises questions for assessing the builder regarding at least one of the set consisting of: design issues, communications systems, builder knowledge, customer service, data tracking practices, prior and active claims history, insurance and other legal documents, and safety programs implemented (paragraph 0042).

It would have been obvious to one of ordinary skill in the art to include the business system of Bandemer and Hall with the ability to assess specific types of risk

factors as taught by Alverson since the claimed invention is merely a combination of old elements, and in the combination each element merely would have performed the same function as it did separately, and one of ordinary skill in the art would have recognized that the results of the combination were predictable.

38. Regarding claim 12, Alverson further teaches wherein the first component is further configured to select the subset of inspection checkpoints and a subset of the questions based at least in part on the input data; and wherein the second component is configured to calculate the risk assessment score for the builder based at least in part on builder responses to the subset of questions (paragraph 0036 and 0042).

39. As to claim 13, Hall further teaches wherein the first component is further configured to select the subset of questions and inspection checkpoints based at least in part on a set of customization rules (paragraph 038).

40. With respect to claims 26-28, Hall teaches the calculation of a risk assessment score. The calculation of a risk occurrence factor is a percentage calculation of a count divided by a total, which is old and well known in the art. Thus, the risk occurrence factor for a checkpoint is calculated by dividing a number of times unsatisfactory construction practice is observed for a checkpoint by a number of instances of the checkpoint inspected is a predictable result of Bandemer and Hall in further view of Alverson. Furthermore calculating a projected risk per year for each checkpoint that is

based on the risk occurrence factor for the checkpoint is simple multiplication by the number of times a defect is observed in a year, which also old and well known in the art. Therefore, one with ordinary skill in the would be able to use the data provided in the system of Bandemer and Hall in view of Alverson to calculate risk occurrence by old and well known mathematical techniques.

Conclusion

Any inquiry concerning this communication or earlier communications from the examiner should be directed to BRANDI P. PARKER whose telephone number is (571) 272-9796. The examiner can normally be reached on Mon-Thurs. 8-5pm.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Bradley B. Bayat can be reached on (571) 272-6704. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

/BRANDI P PARKER/
Examiner, Art Unit 3624

/Bradley B Bayat/
Supervisory Patent Examiner, Art Unit 3624